

A RESOLUTION

BY TRANSPORTATION COMMITTEE

01- R -1866

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A LEASE AGREEMENT WITH THE ATLANTA AIRLINES TERMINAL CORPORATION (AATC) FOR THE GROUND CONTROL TOWER ON CONCOURSE C OF THE CENTRAL PASSENGER TERMINAL COMPLEX AT HARTSFIELD ATLANTA INTERNATIONAL AIRPORT, TO BE OPERATED AS A COMMON USE FACILITY SERVING THE AIRLINES USING RAMPS 3 AND 4, AT NO COST TO THE CITY; AND FOR OTHER PURPOSES.

WHEREAS, the City of Atlanta, as owner and operator of the Hartsfield Atlanta International Airport, has entered into certain Lease Agreements, dated March 22, 1977, as amended, with various airlines ("Contracting Airlines") serving the Airport, which covers the planning, design, development, construction, maintenance and operation, and expansion of the Central Passenger Terminal Complex ("CPTC") at the Airport, consisting of two terminal buildings (Terminal North and Terminal South), six concourse buildings (Concourses A - E, and T), and related common use premises and facilities that are leased to the Contracting Airlines collectively as Joint Leased Premises; and

WHEREAS, the Contracting Airlines formed the Atlanta Airlines Terminal Corporation ("AATC") to manage, maintain, and operate the Joint Leased Premises on behalf of the Airlines; and

WHEREAS, the aircraft ground control tower on Concourse C ("Concourse C Tower"), which was originally constructed for and exclusively leased to Eastern Airlines, came under the control of the City upon Eastern's bankruptcy in 1991; and

Whereas, the City has been responsible for operating the Concourse C Tower since 1996, and has paid a third party operator to maintain and operate the Concourse C Tower as a common use facility serving aircraft using Ramp 3 between Concourses B and C and Ramp 4 between Concourses C and D; and

WHEREAS, the Contracting Airlines on Concourses B, C, and D who use Ramps 3 and 4 have requested the City to allow AATC to assume responsibility for operation of the Concourse C Tower on their behalf under a lease agreement with the City, as hereinafter set forth.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, that the Mayor be and he hereby is authorized to execute on behalf of the City of Atlanta a Lease Agreement with the Atlanta Airlines Terminal Corporation, covering said Concourse C Tower and to operate same as a common use facility serving the aircraft of airlines who use Ramps 3 and 4, which shall contain substantially the following terms and conditions:

1. AATC shall lease said Concourse C Tower premises, comprising

approximately 2,732.67 square feet of exclusively leased space, with all finishes and equipment, in their "as-is" condition, and assume responsibility for the maintenance and operation of same at no cost or expense to the City.


2. AATC shall pay monthly rental to the City in the amount of \$1,138.61, computed at the rate of \$5.00 per square foot per year times 2,732.67 square feet and dividing the result by 12.
3. The term of the lease shall commence on January 1, 2002 and expire on September 20, 2010.
4. The premises shall be used for operation of an aircraft ground control tower to serve the airlines using the gates on Concourse B-East, Concourse C, and Concourse D-West and for no other use without prior written consent from the Aviation General Manager.
5. The lease agreement shall include such other terms and conditions as are required by City Ordinances or customarily included in agreements of a similar nature at the Airport.

FURTHER RESOLVED that the City Attorney be and hereby is directed to prepare said Agreement for execution by the Mayor, to be approved as to form by the City Attorney.

FINALLY RESOLVED that said Agreement shall not become binding upon the City, and the City shall incur no obligation nor liability thereunder until the same has been signed by the Mayor and delivered to AATC.

TRANSMITTAL FORM FOR LEGISLATION

To Mayor's Office: Greg Pridgeon

General Manager's Signature: 

From: Originating Dept. Aviation

Contact: Charles Fister (404-209-1700)

Committees of Purview: TC

Committee Deadline: 11/2/01

Committee Meetings: 11/14/01

City Council Meeting: 11/19/01

CAPTION:

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A LEASE AGREEMENT WITH THE ATLANTA AIRLINES TERMINAL CORPORATION (AATC) FOR THE GROUND CONTROL TOWER ON CONCOURSE C OF THE CENTRAL PASSENGER TERMINAL COMPLEX AT HARTSFIELD ATLANTA INTERNATIONAL AIRPORT, TO BE OPERATED AS A COMMON USE FACILITY SERVING THE AIRLINES USING RAMPS 3 AND 4, AT NO COST TO THE CITY; AND FOR OTHER PURPOSES.

BACKGROUND/DISCUSSION:

The Concourse C Tower has been operated since prior to the Olympics in 1996 by TBI for the Aviation Department under the Third Party Operator Permit Agreement with the City. The Contracting Airlines who used Aircraft Ramps 3 and 4 to gain access to the gates on Concourses B, C, and D have requested that the Tower be leased to AATC, who will operate it on behalf of the Airlines. AATC will pay the rent, M&O costs, and operating costs, and charge those costs proportionately to each user airline. This will give the Airlines control over the costs and make them responsible, indirectly, for the operation of the Tower. The City is thereby relieved of the liability, but will receive the rental revenue due from the use of the Tower premises by the Airlines.

AATC is the preferred entity to hold this lease because it represents all of the Airlines, and maintains and operates the common use and public areas of the Terminal and Concourses on behalf of the Contracting Airlines, charging the cost thereof back to each Airline, proportionately.

FINANCIAL IMPACT: N/A

Source of Funds: N/A

Mayor's Staff Only:

Received by Mayor's Office: 11/2/01  Reviewed: 
(date) (Initials) (date)

Submitted to Council: _____

Action by Committee: ☐ Approved ☐ Adversed ☐ Held ☐ Amended
☐ Substitute ☐ Referred ☐ Other